STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
Telephone: (801) 538-5340

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

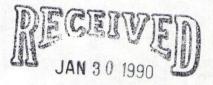
I.	GENE	GENERAL INFORMATION			
	1.	Report T	ime Period:	: From (mo./yr.) To (mo./yr.)	
	2.	DOGM File Number (original notice): M /035 / 009			
	3.	Mine Name: Barneys Canyon Mine			
	4.	Mineral(s) Mined: _	Gold	
	5.	Name of Operator or Company: Kennecott Corporation			
	6.	Permanen	t Address:	P. O. Box 311	
				Bingham Canyon, Utah 84006-0311	
	7. Company Representative (or designated operator):				
		Nam	ie :	Robert J. Ramsey, Jr.	
		Tit	le:	General Manager	
		Add	lress:	P. O. Box 311 - Bingham Canyon, Utah 84006	
		Pho	one:	(801) 569–7200	
			ease check evious year	if any of the above information has changed since	
II.	I. MINING AND RECLAMATION				
	1.	Was the	mine activ	e during the past year? Yes 🔯 No 📋	

If active, how much ore or mineral was mined? 970,054 Dry Tons

3	Briefly describe any new or additional surface disturbances that occurred during the past year. This description should include the type of work performed, volume of material moved, and the acreage affected.			
	See attached plot plan (APPENDIX A)			
4.	Briefly describe the reclamation work performed during the past year. This description should include acreage reclaimed, methods employed, and an evaluation of the results.			
	Approximately 78 acres of disturbed areas that will remain in present			
	state were hydroseeded with an appropriate mixture of seeds. In			
	addition, 500 seedlings were planted. Approximately 2 acres not			
	easily accessable with hydroseeding were broadcast with seed by hand.			
5.	What was the total unreclaimed acreage at years end?365.72 acres			
6.	Briefly summarize mining and reclamation planned for the upcoming year.			
	All interim reclaimation is complete with no reclaimation contemplate			
	_ for 1990.			
NOTE:	Section III., "Additional Information" applies only to <u>large mining</u> operations.			
III. A	DDITIONAL INFORMATION			
1.	An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.			
2.	Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.			
IV. <u>SI</u>	GNATURE REQUIREMENT			
I	hereby certify that the foregoing is true and correct.			
	Signature of Operator: Kobuty. Keep			
	Name (Typed or Print): Robert J. Ramsey, Jr.			
	Title of Operator: General Manager			
	Date: January 26, 1990			

BARNEYS CANYON MINE

BINGHAM CANYON, UT 84006-0311 (801)569-7100



KENNECOTT

January 30, 1990

UIVISION OF OIL, GAS & MINING

Mr. Lowell Braxton Associate Director Utah Division of Oil, Gas & Mining 3 Triad Center - Suite 35 Salt Lake City, UTah 84108-1203

Dear Mr. Braxton:

Enclosed is the 1989 annual report of mining operations (Form MR-AR) for Barneys Canyon Mine. Construction and operation of the mine were begun in 1989, with the first gold pour on September 15. Current activities including mining at both the Barneys Canyon and Melco pits, are described in the revised Notice of Intent submitted to you on October 2, 1989. Reclamation activities have already begun with seeding of those areas disturbed by the construction which will no longer be active.

Also in 1989, a change in ownership occurred. There have been no changes in personnel or operations. A completed transfer of Notice of Intent (Form MR-TRL) is enclosed for your records. A reclamation contract (Form MR-RC) has not been submitted pending follow up from your department on alternate language previously suggested by Kennecott. A rider for the current bond (64S 100507894BCA) reflecting the new ownership is enclosed.

Please feel free to contact me or Ms. Cindy Emmons of the Kennecott headquarters staff should you have any questions regarding the enclosed information.

Sincerely,

R. J. Ramsey

cc: E. C. Tingey

C. S. Emmons